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Hearing Date: September 27, 2012
Hearing Time: 10:00 a.m.
Response Deadline: September 14, 2012

Attorneys for Michael D. Kieran

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re

Chapter 11

LEHMAN BROTHERS HOLDINGS, et al.,

Case No. 08-13555 (JMP)

Debtors.

(Jointly Administered)

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**RESPONSE OF MICHAEL D. KIERAN TO DEBTORS' 342nd OMNIBUS
OBJECTION TO CLAIMS (TO EXPUNGE PROOF OF CLAIM 25502)**

**TO THE HONORABLE JAMES M. PECK,
UNITED STATES BANKRUPTCY JUDGE:**

Michael D. Kiernan ("Claimant") by his undersigned counsel, hereby responds to Debtors' 342nd Omnibus Objection to Claims (To Expunge Claim Proof of Claim 25502) (the "Objection"). In support thereof, Claimant respectfully states as follows:

Preliminary Statement

1. Lehman Brothers Holdings Inc. and its affiliates object to Claim No. 25502 (the "Claim") of Claimant on the ground that the Claim is based on a claim for a bonus by Claimant.
2. Claimant is a former employee of Lehman Brothers where he worked as an informational technology specialist from February 29, 2008 to September 2008.
3. At the time the Claimant was negotiating his employment arrangement with

Lehman Brothers in February 2008, while employed at Morgan Stanley, Lehman Brothers induced the Claimant to accept a position at Lehman Brothers by offering a salary of \$125,000 annually plus a bonus of \$50,000 to \$55,000 per year.

4. Emphasis was made in the offer that the Claimant must start his employment on February 29, 2008 (a Friday) in order to be eligible for 100% of the expected bonus. A March 3, 2008 (Monday) start date would have reduced the percentage of the bonus available downward from 100%.

5. Claimant accepted the offer of February 20, 2008 by Lehman Brothers and began his employment with them on February 29, 2008.

6. Specifically responding to the Debtors' Objection as contained in II The Bonus Claims Should Be Disallowed and Expunged, paragraph 13 of the Debtors' Objection on page 6, the Claimant is not basing his claim that he received a bonus in 2007 (before he worked for Lehman), which he did not. The Claimant offers his legal argument that he was enticed to join Lehman from Morgan Stanley by the bonus agreement. The factual basis for this response is contained above and proof is submitted in the attached e-mails from Lehman.

7. The Claimant has now offered sufficient proof in support of allowing the claim, and overcome the Debtors' argument that the Chapter 11 Estates' books and records do not reflect that any of the claimants asserting Bonus Claims are entitled to a bonus, or that this Claimant is one of the majority of the claimants who base their claim for bonuses on the fact that they received bonuses in 2007.

8. With the arguments proffered and the proof attached, Lehman Brothers Holdings Inc. is liable for bonus compensation to this Claimant.

WHEREFORE, Claimant respectfully requests the entry of an order allowing the claim,

in its entirety, and providing such other relief as the Bankruptcy Court deems just and proper.

Dated: Smithtown, New York
September 14, 2012

Yours, etc.,

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By: THOMAS J. SPELLMAN, JR.